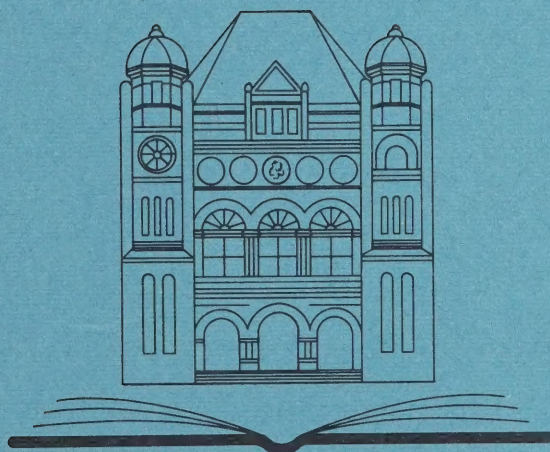


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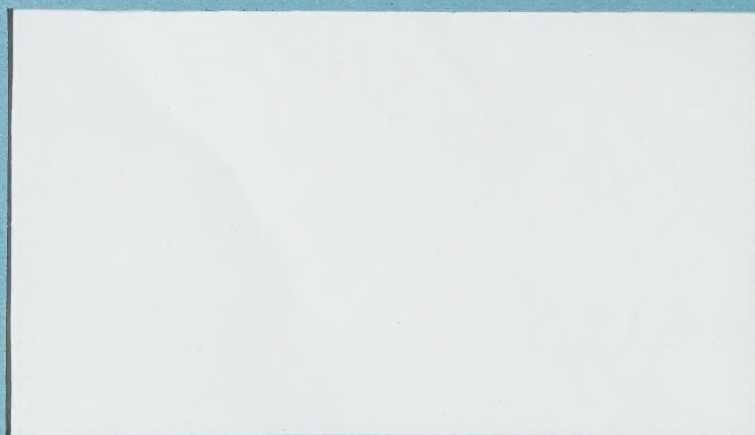
**FUNDING CULTURE: CURRENT  
ARGUMENTS ON THE ECONOMIC  
IMPORTANCE OF THE ARTS AND CULTURE**

*Current Issue Paper 158*



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March 1995

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## INTRODUCTION

The issue of government funding for the arts and culture has long been closely linked in Canada with the creation of a strong, distinct national identity. Cultural institutions, organizations and artistic creators as diverse as the Canadian Broadcasting Corporation, the National Ballet of Canada, the Group of Seven, the Canadian Opera Company, Margaret Atwood, Atom Egoyan, Robert Lepage or Stompin' Tom Connors have often been seen as symbols of Canadian identity both within Canada and outside its borders. The value of funding cultural and artistic enterprises and individual artists has been linked to the project of creating a national identity and fostering a greater sense of national unity.

However, the arguments promoting arts and culture funding have taken a decided shift since the mid-1980s. The view that arts and culture bolster Canadians' sense of nationhood still exists. But, there has been an increasingly strong emphasis upon *economic* arguments to promote arts and culture funding by governments. Facts and figures are increasingly marshalled to argue that the arts create jobs, promote tourism, and train skilled workers well-suited to the needs of the new information-age economy.

This shift has occurred in the context of a recessionary economic climate, government cut-backs and greater competition for scarce public funding. One art critic described the competitive dilemma in this way:

How can we afford the arts when we're closing hospitals and laying off civil servants? How can we pay people to paint pictures and write books when the fabric that binds the nation -- the social safety net itself -- is quickly unravelling?

But, ... argue arts supporters, how can we afford not to fund the arts? They are the air we breathe, the dreams we dream, they make our lives worth living. They tell our stories, forge our identity, make us who and what we are.<sup>1</sup>

In this atmosphere, artists and arts and culture organizations have been pressed to demonstrate why they should continue to receive government funding. As sectors such as health and education receive funding cuts, the merits of government funding of the arts and culture is increasingly debated. Indeed, the very principle of government funding to the arts and culture seems, at times, to be at stake. As a result, arts and culture advocates now try to demonstrate that arts and culture funding is a good investment strategy -- contributing not solely to the spirit of Canada but to its economic well-being.

In this paper, I will outline the parameters of this shift in arguments around cultural and arts funding which has taken place in the post-war period. A key starting point is the 1951 Massey Report which strongly argued for state funding of culture and the arts. Three decades later the commitment to state funding was well-established and reaffirmed in the 1982 Applebaum/Hébert Report. However it uses notably different arguments from those of the Massey Report to defend government arts and culture funding, with much more attention paid to economic factors. This paper will indicate the extent to which economic concerns have come to dominate discussions of arts and culture funding in the 1980s and 1990s as the effects of recession have been felt. As the future of arts and culture funding is being questioned and rethought, private sector funding is one option which this paper will examine. These trends, then, ultimately raise questions about the rationale for state funding of the arts and culture. In a sense, the current economic climate has given rise to the same fundamental questions with which the Massey Report dealt: Why should the government fund the arts and culture? What is their value?

## **THE EVOLUTION OF PUBLIC POLICY**

### **The Massey Report: Culture and National Identity**

The Royal Commission on National Development in the Arts, Letters, and Sciences (known as the Massey Commission, after its chair Vincent Massey) was formed in 1949 and reported in 1951. The Massey Report noted that in 1949 five cultural



organizations received a total of \$21,000 from the federal government.<sup>2</sup> It forcefully made a case for all levels of government to fund culture and the arts. Many of its recommendations were implemented (such as the founding of the Canada Council) and its influence ushered in a new era of government funding of the arts and culture.

The Massey Commission argued that cultural and artistic experience and the arts were essential to the creation of a sense of national identity.

Canadian achievement in every field depends mainly on the quality of the Canadian mind and spirit. This quality is determined by what Canadians think, and think about; by the books they read, the pictures they see and the programmes they hear. These things, whether we call them arts and letters or use other words to describe them, we believe to lie at the roots of our life as a nation ... They are also the foundations of national unity.<sup>3</sup>

The need to form a common national consciousness was, in the view of the Massey Report, more pressing because of Canada's unique character. Canada's small and scattered population, clustered along the border of a powerful country with whom it shares a common language, were seen as conditions which made the creation of a firm national identity more urgent.<sup>4</sup> It should be noted that the Report viewed the idea of a national identity in a way that would now be seen as narrow, if not naive. For example, the Report did not question the notion of a single national culture. That the people of Quebec or others within Canada's diverse population would wish to have a culture which reflected their specific aspirations, did not enter into the Report's conception of a national identity.<sup>5</sup>

Rather its focus was clearly on the possibility of the United States exerting a dominant influence over Canada. Culture was seen as a possible bulwark against this potential threat:

It cannot be denied, however, that a vast and disproportionate amount of material coming from a single alien source may stifle rather than stimulate our own creative effort; and, passively accepted without any standard of comparison, this may weaken critical faculties. We are now spending millions to maintain a national independence which would be nothing but an empty shell without a vigorous and distinctive cultural life. We have seen that we have its elements in our traditions and in our history; we have made important progress, often aided by American generosity. We must not be blind, however, to the very present danger of dependence.<sup>6</sup>

The Massey Report was insistent that bolstering Canada's cultural life and national identity required ample government funds. It also argued that government funding was the developing trend in all advanced nations with the exception of the United States.

If we in Canada are to have a more plentiful and better cultural fare, we must pay for it. Goodwill alone can do little for a starving plant; if the cultural life of Canada is anemic, it must be nourished, and this will cost money. This is a task for shared effort in all fields of government, federal, provincial and local.<sup>7</sup>

### **The Applebaum/Hébert Report**

The next major review of cultural policy, the Federal Cultural Policy Review Committee, was established in 1980 and reported in 1982. The Applebaum/Hébert Report continued the precedent set by the Massey Report by advocating a strong commitment by all levels of government to the funding of the arts and culture. However, there were certain notable shifts in emphasis which reflected profound changes in Canada's political reality. For instance, the Report clearly placed the creative artist, rather than the quest for national unity, at the centre of its deliberations. A central premise of the Report was that "the role of creative artists should be given special priority in consideration of cultural policies in order that the public might benefit from the results of creative work."<sup>8</sup> In fact, the Report expressed serious reservations about the government approaching arts and culture with any political purpose at all. In addition, the Applebaum/Hébert Report explicitly



supported expressions of the diversity of Canadians' cultural experience, stating that "we believe Canadian cultural policy should come down on the side of open diversity."<sup>9</sup> Finally, the Report paid detailed attention to economic arguments in defense of arts funding. It examined various models of governments' relationship to arts and culture funding and possible alternative sources of funding (individual, philanthropic or corporate). It squarely defended the principle of government funding and, indeed stated, "this Committee remains convinced that ... the proportion of the federal budget devoted to cultural activities ... is too low for a society such as ours."<sup>10</sup>

### **Government Funding of Culture and Arts in Canada**

The Massey Commission, then, initiated the commitment of government in Canada to arts and culture funding. The Applebaum/Hébert Report advocated continued government funding, and funding increased until recently.

By 1992-93, total government expenditure on the arts and culture reached \$6.2 billion: federal government expenditure was \$2.9 billion; provincial and territorial governments, \$2.0 billion; and municipal governments, \$1.4 billion.<sup>1</sup> This represents a small portion of total government expenditure -- about 2% for federal and municipal governments, and about 1% for provincial and territorial governments.<sup>11</sup>

The following chart, based on Statistics Canada figures, shows the sectors receiving public funds:

---

<sup>1</sup> Numbers do not add due to rounding.

Function	Federal (\$M)	Provincial (\$M)	Municipal (\$M)	Total (\$M)	% of Total
Libraries	41.3	730.4	1,021.4	1,793.1	28.9
Broadcasting	1509.0	208.7	--	1,717.7	27.7
Heritage Resources	629.1	471.5	46.7	1,147.4	18.5
Film & Video	254.1	81.8	--	335.9	5.4
Performing Arts	111.0	149.1	65.9	326.0	5.2
Literary Arts	193.3	21.3	--	214.6	3.5
Arts Education	4.4	77.4	--	81.8	1.3
Visual Arts/Crafts	18.5	40.1	--	58.6	0.9
Multiculturalism	8.2	45.3	--	53.4	0.9
Sound Recording	7.8	2.2	--	10.0	0.2
Other	102.2	142.1	228.7	473.1	7.6
TOTAL	2,879.0	1,970.0	1,362.7	6,211.7	100.0

**Source:** Canadian Conference of the Arts, "Dispelling 6 popular myths about arts & culture."

The 1995 budget continued the recent trend of declining funding. The Department of Canadian Heritage's funding will decline over three years from its current level of \$2.9 billion to \$2.2 billion in 1998. This represents a cut of 23 percent to the department that funds the CBC, Telefilm Canada, and the National Film Board. In 1995, the budgets for all three were cut as follows: the CBC, \$44 million from \$1.1 billion; Telefilm Canada, \$12.3 million from \$122 million; and the NFB, \$4 million from \$79.8 million.<sup>12</sup>

### *Canada Council*

The experience of the Canada Council reflects the general trends in arts and culture funding -- increases continued until the 1990s but began to decline thereafter. The Council was formed as an independent agency of the federal government on the recommendation of the Massey Report in 1957 with a \$50 million endowment, whose



interest was to, and still does, fund Council programs. In addition, it gets an annual allocation from the federal government (see table below). Since its formation, the Canada Council has been a crucial source of funding, programs, and administrative support to individual artists and arts organizations. In 1993-94, the Canada Council awarded \$86.8 million in grants to over 5,000 artists and arts organizations in the fields of theatre, music, writing and publishing, dance, visual arts, media arts as well as for tours and explorations.<sup>13</sup>

As the following chart indicates, federal government funding for the Council rose steadily from 1978 to 1992 (except for a drop in 1988-89). However, this pattern began to change in 1993-94 when the Council's funding declined by almost \$9 million. This downward trend is continuing as the February 1995 budget cut the Canada Council's allocation by \$2.5 million, bringing the 1995-96 total to about \$95.9 million.<sup>14</sup>

### Parliamentary Appropriation to the Canada Council

1978-79 to 1994-95 in current dollars

<i>Fiscal Year</i>	<i>Current Dollars</i> in thousands of dollars
1978-79	39,152
1979-80	41,116
1980-81	44,647
1981-82	52,941
1982-83	59,883
1983-84	65,581
1984-85	72,614
1985-86	74,244
1986-87	85,311
1987-88	96,895
1988-89	93,251
1989-90	103,503
1990-91	104,054
1991-92	105,493
1992-93	108,215
1993-94	99,335
1994-95	98,421

**Source:** The Canada Council, *The Canada Council: A Design for the Future* (Ottawa: The Council, March 1995), Appendix 1.

## SHIFTING ARGUMENTS: THE IMPACT OF THE ARTS ON THE ECONOMY

How, then, have arts and culture organizations made their case for continued government funding in the face of cut-backs? Primarily, the argument has been that the arts and culture are vital and dynamic sectors of the economy.

The impact of arts and culture on the economy is not readily apparent to most people. One problem is that it is often unclear just what is meant by "culture" and "arts". Painting, poetry, opera, film, video, sound recording, libraries, galleries, museums, theatre, dance, the CBC, and the NFB may all be considered part of "the arts", "culture" or "cultural industries" depending on the definition in use.

All of these enterprises differ, not only in kind, but in aim. How can the success of a CBC radio programme, an experimental film, or a sculptor's new work be compared? For instance, the success of a commercial theatre production such as *The Phantom of the Opera* is easy to tabulate. Its large box office receipts provide the measure. However, benefits of an avant garde theatre production by a non-profit company are not so readily calculable. It may provide a training ground for artists whose innovation and risk-taking may later filter into commercial enterprises and culture as a whole.

Notwithstanding these difficulties, there have been numerous studies conducted to determine the role of the arts in the Canadian economy. They seem to offer persuasive evidence that the arts and culture do indeed make a significant contribution to the economy of Canada, and arts advocates argue that government funding of the arts and culture is therefore a good investment.

The Canadian Conference of the Arts cites the following to stress the dynamic role of the arts and culture in the Canadian economy:

- 660,000 jobs exist in Canada as a result of the arts and cultural industries;
- arts and cultural activities contribute \$23.8 billion to the Gross Domestic Product;
- people working in culture represent over 2.5% of the labour force: an increase from 1.8% in 1971;



- cultural employment increased by 33% between 1991 and 1993;
- wages and salaries were over \$2.8 billion in 1992-93, representing a 16% increase since 1988-89;
- nearly 14 million people attended an arts performance in 1992-93; ticket sales amounted to \$148 million;
- earned revenues in the performing arts sector were \$206 million in 1992-93, representing a 31% increase from 1988-89;
- cultural exports were \$1.5 billion in 1991 -- a 62% increase from 1984.<sup>15</sup>

The Conference's National Director, Keith Kelly, argued that, given the compelling case for the economic impact of the arts and culture, government funding is clearly a good business investment for Canada. In a presentation to the Standing Committee on Finance's pre-budget consultations, Mr. Kelly stated:

If you take out the CBC, we're talking about a total [funding] package of \$1.1 billion. The majority of that sustains the national and cultural institutions such as the Arts Centre, the National Gallery, the National Library, Public Archives, the CRTC. We're talking probably about \$350 million a year that flows directly to artists and the cultural industries ...

I think in the grand scheme of things, when we're talking about a deficit of \$40 billion, you would confess that \$350 million to sustain a workforce of 500,000 Canadians is not a bad investment.<sup>16</sup>

The Joint Committee Reviewing Canadian Foreign Policy also stressed the importance of arts and culture in the international arena. Its *Report* concluded that culture is crucial to promoting Canada's image and interests abroad since "strengthening Canadian identity and enhancing our innovative and creative capacity make us better armed to deal with a more intensively competitive global system."<sup>17</sup> The *Report* also argues against relying on the market to ensure that culture develops satisfactorily. It supported government funding (and compared Canada's expenditures unfavourably to those of other countries) in the following terms:

The market often shies away from truly creative ventures because these do not necessarily promise sure-fire returns. It would therefore be desirable for governments to support domestic production and distribution.<sup>18</sup>

Gwenlyn Setterfield, executive director of the Ontario Arts Council (OAC), struck a similar tone in a presentation to the Ontario Legislature's Standing Committee on Finance and Economic Affairs in February, 1995. Ms. Setterfield emphasized that the OAC's contribution to the provincial economy makes it a worthwhile investment for government funding:

OAC ... assisted 1,900 individual artists and nearly 900 organizations in over 300 communities in this province, all with less than one tenth of 1% of the provincial budget, in a sector that contributes over \$10 billion to the GDP.<sup>19</sup>

## ONTARIO: CULTURE AND ECONOMIC STRATEGY

The government of Ontario has explicitly taken the approach that the arts and culture do matter economically. The 1994 Report of the Advisory Committee for a Cultural Industries Sectoral Strategy, (ACCISS) *The Business of Culture*, examined the economic impact of the "cultural industries" in the province. The Committee specifically studied aspects of the book industry, magazines and periodicals, film and television, audio and video music recording, and commercial theatre.<sup>20</sup> It concluded that cultural industries must be accorded a key place in any strategy to develop the Ontario economy. As the Report states:

Ontario's cultural industries have the strategic characteristics cited in the government's Industrial Policy Framework, which are needed to compete in the global economy, including the potential to: be innovative, raise skill levels, increase our technological capabilities, establish home bases in Ontario, develop linkages and networks, and build on our international capability. It is for both their economic and social value that the cultural industries have been targeted as a key competitive sector -- a place where Ontario should invest for the future.<sup>21</sup>

As evidence of the necessity and viability of this strategy the Committee cited data such as the following:



- In 1992, Ontario's cultural industries generated revenues of \$3.2 billion and employed over 56% of Canada's cultural workforce.
- Most cultural workers are well-educated and can easily adapt to the needs of a changing economy based on new technologies.
- A 1993 study estimated that 45% of out-of-province tourists to Ontario were "greatly" or "motivated in part" by Ontario's cultural tourism products.
- In 1991 events such as the Toronto International Film Festival, the Harbourfront Authors Festival, the duMaurier Jazz Festival, and commercial theatre productions drew 3 million visitors to Toronto. The economic ripple effect of these tourists' spending in restaurants, clubs, hotels, shopping, and other cultural events is estimated at \$600 million.
- Cultural activity plays a significant role in local and regional economies.
  - For example, the total economic impact of the Stratford Festival is approximately \$50 million annually. And, the festival creates about 275 jobs in the retail and service sectors.
  - In 1988, out-of-town visitors to Ottawa's Festival Franco-Ontarian spent an average of \$291 each.
  - In 1985, the combined economic impact of the commercial and not-for-profit cultural and arts sectors in the Sudbury region was \$39 million.<sup>22</sup>

In order to implement this strategy, the Minister of Culture, Tourism and Recreation, Anne Swarbrick announced the formation of the Cultural Industries Council of Ontario (CICO) in March 1995. CICO's mandate is to help develop greater competitiveness in Ontario's cultural industries. The 16 member Council will encourage initiatives in fields such as multimedia and telecommunications and promote partnerships between business, labour and government.<sup>23</sup>

## **PRIVATE SECTOR FUNDING OF CULTURE AND THE ARTS**

However, there are those who argue that arts and culture should no longer rely on government funding, but instead pursue private sector funding. Indeed some argue that the arts and culture should face the reality of the marketplace. For instance, Mr. John Williams, of the Reform Party responded to the arguments of Mr. Kelly of the Canadian Conference of the Arts (mentioned above) with the following statement:

Your market has become the Canada Council and the Government of Canada as the easiest and most opportune market to tap as far as funds are concerned. If we are to balance the budget and talk about significant reduction in government spending, then all Canadians are going to have to participate in that. Don't you think that if the government were to go back from the huge subsidization of the arts, the arts would then be motivated to go out and develop new markets of their own, as every other business always has to do when times are tough?<sup>24</sup>

Many argue that reliance upon government funding should no longer be taken for granted. As one commentator states:

Managers, performers, board members and lovers of the arts, ... must disabuse themselves of the idea that public support is mandatory and a duty. The arts in the '90s must set aside the notion that once committed, the public is ours forever. The public does have a giant remote control and the public can and does click us off.<sup>25</sup>

And there are those who argue that corporate and private funding will benefit both business and the arts and cultural community. For instance, arts advocates contend that there is ample evidence that a thriving cultural scene creates an atmosphere which is conducive to business: the arts, cultural events and institutions attract people and their disposable incomes and generally make for safer, more vibrant cities. As one commentator put it: "a community that is well-rounded and well-equipped with a cultural infrastructure is a productive community -- a community in which it is easier to do business than one not so provided."<sup>26</sup>

How viable is a shift to private sources of funding for the arts and culture? This issue was considered in the Applebaum/Hébert Report which found corporate contribution levels to the arts to be very low. In 1978, 8.5% of Canadian corporations with taxable incomes reported donations to charities. In 1979 this figure fell to below 8%. Donations to the arts formed the smallest part of corporate donations, falling behind support for welfare, education, community projects, health and religion. And, the Report was doubtful that tax incentives would significantly alter this pattern.<sup>27</sup>



But has the situation changed in the last decade? There certainly have been recent high-profile cases of generous acts of philanthropy to the arts. For instance, in 1994, the asset management firm, Gluskin & Sheff, accompanied by much fanfare and publicity, contributed \$1 million dollars to be the exclusive sponsor of the Barnes Exhibit at the Art Gallery of Ontario in Toronto. Philanthropist Walter Carsen contributed \$1 million to the National Ballet of Canada's 1995 production of *Romeo and Juliet*. And, in an effort to encourage economic self-reliance in the arts, Ontario's Lieutenant-Governor, Henry Jackman, personally gave \$1 million to the Ontario Arts Council. Each year, the arts council will award the interest on the money (estimated to be about \$75,000 per year) to three arts groups who attract private sector support and also involve their communities in the arts.<sup>28</sup>

However, several questions remain: are these appeals to business gaining a hearing? Are the acts of philanthropy mentioned above being generalized? Has private funding of the arts and culture been successful? Available data suggests that the private sector still provides only a small fraction of funding. For example, one survey indicates:

- In 1993, Canadian charitable foundations gave away \$347 million;
- Of that, \$21 million (about 6%) went to museums, libraries and "culture and arts promotion."
- 113 foundations give to cultural organizations. However, there are approximately 3,000 arts organizations in Canada.<sup>29</sup>

Another survey found that:

- In 1993, 171 companies contributed \$126.4 million to charitable causes; \$15.5 million of this was to arts and culture (about 12.3%);
- These contributions indicate a decline from 1991 when 224 responding companies contributed a total of \$153.4 million to charitable causes; \$20.5 million of this was to the arts and culture (about 13.4%).<sup>30</sup>

The Council on Business and the Arts in Canada found:

- In 1992-93, 203 performing arts groups received a total of around \$11.5 million from corporations and foundations (about 3.7% of the total operating budgets of these arts groups).
- Private sponsorship of galleries and museums grew by 10% to \$3 million but the number of institutions sponsored fell. In 1992-93, 50 of 158 institutions were sponsored, compared to 54 of 147 institutions in 1991-92.<sup>31</sup>

These figures are clearly not close to the \$6.2 billion provided by all levels of government to fund the arts and culture in 1992-93. Moreover, it would seem that the difficulty is not that arts organizations are not sufficiently aggressive in pursuing private funding. Rather, charitable donations of all kinds are being pursued by an increasing number of health, education, and social services groups as well as cultural sectors. And, in order of over-all receipt of funding, arts groups are often last on the list. For example, Canada Trust gave \$150,000 to the arts in 1994, but that was the smallest portion of its total \$3 million contributions to charitable organizations.<sup>32</sup>

Many commentators suggest that corporate donations will not rise significantly unless the federal government makes donations to the arts more attractive. In particular, they advocate changes to tax laws. Two such proposals include:

- increasing the amount of donation for which a tax credit can apply, from up to 20% of annual income to up to 50%.
- exempting gifts of appreciated property from the capital gains tax when given to charities.<sup>33</sup>

Some critics also contend that there are inherent dangers for artists and arts groups relying upon private funding sources. They worry principally that the arts will become commercially, not artistically, driven. In addition, there is the concern that artists and cultural institutions would lose a measure of independence of spirit if they shaped their enterprises to meet the vision of a corporate donor. Critics argue this would potentially lead to artistic creations geared to marketplace or mainstream tastes predominating as it becomes more difficult to raise funds for



innovative or risky artistic projects.<sup>34</sup> As one writer notes, "As self-appointed reflectors of, and commentators on, society, artists are often in opposition to the very forces upon whom they must rely for sustenance."<sup>35</sup>

There is also a possible danger of artistic or moral compromise. For example, a group of 14 music acts appearing at the Canadian Music Week in Toronto in March 1995 protested against the event's corporate sponsorship by a tobacco company. The protesting musicians were concerned with the general principle that participants had no choice in associating their names with the corporate sponsor even if they objected to the sponsor's product. However, an organizer of the Canadian Music Week responded that the event could not have even taken place without such corporate sponsorship.<sup>36</sup>

## CONCLUSION

There does seem to be substantial evidence that the arts and culture do have both a direct and indirect economic impact. At the most obvious level, the most prominent commercial cultural enterprises operate as large and profitable businesses. And, the not-for-profit sector produces significant economic benefits such as employment, cultural tourism and the multiplier effects of related service spending that boost local and regional economies.

However, the argument to defend government arts and culture funding on economic grounds may be a risky approach for arts and culture advocates. There is a danger that if it can be shown, at some point, that arts and culture funding are *not* economically beneficial, the conclusion may well be drawn that funding should be entirely cut from government budgets.

Consequently, there are those who propose that the quest to prove the financial merit of the arts be abandoned. The merit of the arts and culture lies elsewhere and, therefore, must be defended on a basis other than economic usefulness; their benefits are to the over-all healthy spirit and culture of Canada, not to its GDP. And, the arts and culture must be allowed exist on their own terms. As one commentator contends, "The arts exist first and foremost for our pleasure, not because they make us better people or better Canadians."<sup>37</sup> And, another argues:

It's time to admit that the arts-are-good-for-the-economy argument hasn't worked, and to start talking again about why the arts are a public good.

Healthy societies, like all healthy organisms, require functioning communications systems, and the arts, like the media and education, are part of that system. They enable us to debate, to reflect, to consider, to learn, to imagine, to argue, to reach consensus, to argue and to reach a new consensus. They allow one society to learn from another ...

The arts are important for the economy because, in the long term, healthy economies require healthy societies. But to serve their purpose, the arts, like education and the media, need some protection from the marketplace ... We must learn to distinguish where the marketplace works and where it doesn't.<sup>38</sup>

The question of arts and culture funding, then, may be said to be important precisely because it raises vital questions about the type of society in which we wish to live. What is considered essential to the life of the nation? What is valued by its citizens? What binds them together? And, in these economically difficult times, what are Canadians willing to pay for?



## NOTES

<sup>1</sup> Christopher Hume, "Facing up to funding crunch," *Toronto Star*, 18 February 1995, p. J1.

<sup>2</sup> Canada, Royal Commission on National Development in the Arts, Letters and Sciences (Vincent Massey, Chairman), *Report of the Royal Commission on National Development in the Arts, Letters and Sciences* (Ottawa: King's Printer, 1951), pp. 75-76. Hereafter referred to as the Massey Report.

<sup>3</sup> Massey Report, p. 271.

<sup>4</sup> Ibid., p. 11.

<sup>5</sup> Ibid., pp. 4, 271.

<sup>6</sup> Ibid., p. 18.

<sup>7</sup> Ibid., p. 272.

<sup>8</sup> Canada, Federal Cultural Policy Review Committee (Louis Applebaum and Jacques Hébert, Chairmen), *Report of the Federal Cultural Policy Review Committee* (Ottawa: Supply and Services Canada, 1982), p. 4. Hereafter referred to as the Applebaum/Hébert Report.

<sup>9</sup> Ibid., p. 9.

<sup>10</sup> Ibid., p. 7.

<sup>11</sup> Canada, Statistics Canada, *Government Expenditures on Culture 1992-93*, Cat. no. 87-206 (Ottawa: Ministry of Industry, Science and Technology, October 1994), p. 7.

<sup>12</sup> Christopher Hume, "Arts groups sigh as they check out budget's damage," *Toronto Star*, 28 February 1995, p. B5.

<sup>13</sup> Information faxed by Murray Krantz, Canadian Conference of the Arts, Ottawa, 21 March 1995, (613) 238-3561; "Dispelling 6 popular myths about arts & culture."

<sup>14</sup> Robert Crew, "Canada Council to realign grants and reduce staff," *Toronto Star*, 2 March 1995, p. E5.

<sup>15</sup> Information faxed by Murray Krantz, Canadian Conference of the Arts, Ottawa, (613) 238-3561; "Fast Facts on Arts & Culture."

<sup>16</sup> Keith Kelly, Speech to the Standing Committee on Finance, House of Commons, *Debates: Official Report*, 35th Parliament, 1st Session (15 November 1994): 81:12.

<sup>17</sup> Canada, Parliament, Special Joint Committee Reviewing Canadian Foreign Policy, *Canada's Foreign Policy: Principles and Priorities for the Future*, (Ottawa: Supply and Services Canada, 1994), p. 63. It should be noted that the Bloc Québécois criticized the Committee's conception of culture. In a dissenting report, the BQ disagreed with the Committee's assumption that Canada is a single nation with a single culture. For these arguments see: Canada, Parliament, Special Joint Committee

Reviewing Canadian Foreign Policy, *Canada's Foreign Policy: Dissenting Opinions and Appendices*, (Ottawa: Supply and Services Canada, 1994), pp. 11-13.

<sup>18</sup> *Canada's Foreign Policy: Principles and Priorities for the Future*, p. 66.

<sup>19</sup> Gwenlyn Setterfield, Speech to the Standing Committee on Finance and Economic Affairs, Ontario, Legislative Assembly, *Hansard: Official Report of Debates*, 35th Parliament, 3rd Session (9 February 1995): F-1693.

<sup>20</sup> Ontario, Ministry of Culture, Tourism and Recreation, Advisory Committee on a Cultural Industries Sectoral Strategy, *The Business of Culture: A Strategy for Ontario's Cultural Industries* (Toronto: The Ministry, 1994), pp. 9-10. While the Committee's focus was on cultural industries, its Report also acknowledged the intrinsic value of the not-for-profit sector of the arts as well as the contribution it makes to training cultural workers for the commercial sector and supported the need for continued funding of the not-for-profit sector.

<sup>21</sup> *Ibid.*, p. 9.

<sup>22</sup> *Ibid.*, pp. 9-10, 32, 37.

<sup>23</sup> Ontario, Ministry of Culture, Tourism and Recreation, "Swarbrick announces appointments to new Cultural Industries Council of Ontario," *News Release*, 22 March 1995, p. 1.

<sup>24</sup> Mr. Williams, Standing Committee on Finance, House of Commons, 81:11.

<sup>25</sup> Leonard David Stone, "Changing how the arts conducts itself," *Business Quarterly* (Spring 1995): 55.

<sup>26</sup> Arnold Edinborough, "The business & arts interface," *Business Quarterly* (Spring 1995): 56.

<sup>27</sup> *Report of the Federal Cultural Policy Review Committee*, p. 88.

<sup>28</sup> Information for this paragraph from: Edinborough, p. 60; Susan Walker, "Professional arts nags had work cut out for them," *Toronto Star* (3 December 1994): C14; Kate Taylor, "Jackman establishes new award for the arts," *Globe & Mail* (13 January 1995): C4.

<sup>29</sup> Christopher Hume, "Foundations' grants stretched," *Toronto Star*, 19 February 1995.

<sup>30</sup> Henry Mietkiewicz, "'Be creative!' big biz tells groups looking for bucks," *Toronto Star*, 19 February 1995, p. E8.

<sup>31</sup> *Ibid.*

<sup>32</sup> *Ibid.*

<sup>33</sup> Gayle MacDonald, "Austerity revisits the nation's arts community," *Financial Post*, 4 March 1995, p. 25; see also Kelly: 81:6.

<sup>34</sup> Glenn Lowry, "Private funding for arts needn't spell sellout," *Globe & Mail*, 24 April 1994, p. C5; Val Ross, "The arts funding squeeze," *Globe & Mail*, 1 March 1995, p. C1.



<sup>35</sup> Mira Friedlander, "The LG's award," *Financial Post*, 18 March 1995, p. 24.

<sup>36</sup> Peter Howell, "Music Week acts protest tobacco firm sponsorship," *Toronto Star*, 23 March 1995, p. C13.

<sup>37</sup> Hume, "Facing up to funding crunch," p. J2.

<sup>38</sup> Arthur Milner, "What are the arts really worth?," *Globe & Mail*, 18 February 1994.







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